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***National economic downturn impact on Maryland BRAC  
transportation projects***

**Overview of Economic Impact**

- National economic downturn requires MDOT defer \$1.1 billion in new projects over the FY 2009-2014 six-year program period, statewide.
- Maryland is fortunate that steps taken last year to bolster transportation funding will allow full funding of top MDOT priority of preserving the existing system.
  - System Preservation Program (existing roads, tunnels, transit) – fully funded
  - Bridge Program – fully funded
  - Safety Initiatives – fully funded
- Due to downturn, most new projects added to program last winter must be deferred.
- When economic conditions improve, MDOT will have projects ready to move forward.
- Variable still out there: How will federal government address its own transportation-funding shortfall?

**Explanation of Funding Situation**

- Economic downturn creating a fundamental realignment in transportation habits. People driving less, using less fuel, taking transit.
- As a result, State now encountering reduction in existing revenues to the Trust Fund:
  - **Fuel Tax –**
    - **Down \$18M** from the forecast for FY 2009 (typically grows 1%-2% per year. Growth now flat as Marylanders drive 4% less than a year ago.)
  - **Titling Tax –**
    - **Down \$82M** from the forecast for FY 2009 (vehicle sales also flat as car sales continue to lag for another year.)
  - **Other Revenues to TTF –**
    - **Down \$15M** from the forecast for FY 2009 (vehicle registration revenue down as fleet mix changes to lighter, more fuel efficient cars from SUVs)

**BRAC projects**

- **BRAC remains a priority for MDOT** – it was a priority as MDOT added projects last winter and remained a priority as MDOT deferred projects due to the economic downturn.
  - For instance, while most new transportation projects added to the program last winter have been deferred, MDOT continues to move forward with \$93.9 million for the BRAC Intersection Program.

- **MDOT will not slow design of improvements to 16 priority intersections most impacted by BRAC-growth.** The goal of the BRAC Intersection Program is to develop and fund the most-cost effective improvements at priority intersections significantly impacted by BRAC. The program is structured to provide flexibility; available funding allows for intersections to continue advancing through the project development process, to the point where construction could begin once additional funding is identified.
  - The Design and Engineering phase remains fully funded – allowing the projects to continue to move forward on an expedited basis.
  - Some funding is available for construction of targeted improvements.
  - As more funding becomes available – through improving economic conditions, support of our Congressional delegation and creative financing strategies – MDOT intends to have projects ready to go to construction.
- **MDOT/MTA will continue to pursue transit improvements supporting BRAC.**
  - MARC is moving forward with the purchase of 13 bi-level commuter coach cars that will relieve overcrowding by adding capacity. This is in addition to the purchase of 26 new locomotives that will begin to arrive early next year.
  - Additional afternoon peak and late night service was initiated earlier this year.
  - For the long-term, MTA will continue to plan for service improvements and expansions to the MARC system. For example, MTA is conducting the necessary planning for a MARC Storage and Maintenance Facility at Aberdeen Proving Ground, a project that will support future service expansions.
  - MDOT will continue to work with BRAC installations to develop plans for employee shuttles to nearby transit stations, as well as other demand management strategies.
- With our economic challenges, MDOT's strategy for "high/low" remains just as important today. Time and money remain the biggest challenges to addressing BRAC.
  - Our work on BRAC does not stop in September 2011, the BRAC implementation deadline. Work will continue on higher-capacity, higher-cost projects supporting regional growth needs. These projects take significant time to plan, design, fund and construct.
  - We must also continue to pursue lower-cost, lower-capacity projects that can be built quickly and cost effectively.

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- o We are still in a better place with regard to BRAC Intersection Improvements than we were a year ago.

- o Intersection Improvement programming by base –

	<b>FY09</b>	<b>FY10</b>	<b>FY11</b>	<b>FY12</b>	<b>TOTAL</b>
<b>APG</b>	\$6.91M (E, ROW) + \$2.5M (Fed.)	\$17.56M (E, C)	\$7.17M (C)	–	\$31.64M (State) + \$2.5M (Fed.)
<b>FGGM</b>	\$3.7M (D&E) + \$0.2M (Fed.)	\$3.31M (E, ROW)	\$17.91M (ROW, C)	\$6.41M (C)	\$31.33M (State) + \$0.2M (Fed.)
<b>NNMC</b>	\$5.27M (E, ROW) + \$2.04M (Fed.)	\$23.52M (E, ROW, C)	\$2.23M (C)	–	\$31.02M (State) + \$2.04M (Fed.)
<b>TOTAL</b>	\$15.88M (State) + \$4.74M (Fed.) = <b>\$20.62M</b>	<b>\$44.39M</b>	<b>\$27.31M</b>	<b>\$6.41M</b>	\$93.99M (State) + \$4.74M (Fed.) = <b>\$98.73M</b>

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- o Some funding is available for construction of targeted improvements.
- o As more funding becomes available – through improving economic conditions, support of our Congressional delegation and creative financing strategies – MDOT intends to have projects ready to go to construction.